

## Message Text

CONFIDENTIAL

PAGE 01 STATE 250522

15 S  
ORIGIN ARA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 COME-00 CIAE-00

INR-07 NSAE-00 L-03 H-02 /064 R

DRAFTED BY ARA/CAR:DCNORTON:BK

APPROVED BY ARA:AFISHLOW

ARA/CAR:MYOHN (DRAFT)

EB/ICD/ISM:AHEWITT (DRAFT)

ARA:WHLUERS

----- 073620

P 212311Z OCT 75

FM SECSTATE WASHDC

TO AMEMBASSY KINGSTON PRIORITY

CONFIDENTIAL STATE 250522

E.O. 11652: GDS

TAGS: PFOR, JM, US

SUBJECT: DEPARTMENT'S DISCUSSIONS WITH AMBASSADOR RATRAY  
ON THE JAMAICAN CREDIT PROPOSALS

REFERENCE: (A) STATE 240693, (B) KINGSTON 3770

1. SUMMARY: DEPUTY ASSISTANT SECRETARIES LUERS AND  
FISHLOW MET WITH JAMAICAN AMBASSADOR RATRAY ON FRIDAY  
MORNING, OCTOBER 17, TO REVIEW THE JAMAICAN PROPOSAL TO  
ENTER INTO A CONCESSIONAL COMMODITY CREDIT AGREEMENT  
WITH THE U.S. USG REPRESENTATIVES STRESSED THE VARIOUS  
POLICY, LEGISLATIVE, AND BUDGETARY CONSTRAINTS THAT  
LIMIT OUR ABILITY TO ENTER INTO ANY NEW LARGE SCALE  
BILATERAL ARRANGEMENTS, BUT THEY ALSO OFFERED TO CONSULT  
FURTHER WITH THE GOJ IN PREPARING A PACKAGE THAT COULD  
ATTRACT EXTERNAL CAPITAL FROM IFI/PRIVATE SOURCES. END  
SUMMARY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 250522

2. FISHLOW AND LUERS CITED THE MANY LEGISLATIVE/BUDGETARY/ POLICY CONSTRAINTS THAT LIMIT OUR ABILITY TO RESPOND FAVORABLY WITH BILATERAL ASSISTANCE AS REQUESTED IN THE JAMAICAN PROPOSAL. THESE CONSTRAINTS INCLUDE:

(A) THE DECLINE IN THE LEVEL OF U.S. RESOURCES AVAILABLE

FOR BILATERAL CONCESSIONAL ASSISTANCE; (B) THE CONGRESSIONAL REQUIREMENT THAT BILATERAL ASSISTANCE BE CONCENTRATED ON THE MSAS; (C) OUR POLICY TO MOVE TOWARD PROVIDING ASSISTANCE THROUGH THE IFIS, SUCH AS IDB, TO THE RELATIVELY MORE DEVELOPED COUNTRIES WITHIN THIS HEMISPHERE, INCLUDING JAMAICA; AND (D) THE UNLIKELIHOOD THAT CONGRESS WOULD ENACT LEGISLATION TO EXPAND THE PL-480 PROGRAM TO INCLUDE RAW MATERIALS AND FERTILIZERS. FISHLOW SAID THAT THE USG COULD CONSIDER REQUESTS FOR LIMITED AMOUNTS OF SHORT TERM EXIM BANK CREDITS FOR SPECIFIC CAPITAL PROJECTS, BUT MADE CLEAR THAT OTHER TYPES OF CREDITS WOULD BE IMPOSSIBLE TO ARRANGE.

3. GIVEN THESE LIMITATIONS ON OUR ABILITY TO PROVIDE DIRECT ASSISTANCE, FISHLOW SUGGESTED THAT THE GOJ CONSIDER APPROACHING THE IFIS AND THE PRIVATE CAPITAL MARKET FOR ASSISTANCE, AND HE OFFERED USG ASSISTANCE TO THE GOJ IN THE PREPARATION OF A PACKAGE FOR PRESENTATION TO THESE INSTITUTIONS. IN THIS CONNECTION, FISHLOW EMPHASIZED THAT 80 PER CENT OF THE CAPITAL FLOWS TO LATIN AMERICA IN 1974 WERE FROM PRIVATE SOURCES.

4. FISHLOW CAUTIONED RATTRAY THAT THE USG HAS NO SPECIAL RELATIONSHIP WITH THE PRIVATE BANKING COMMUNITY AND CANNOT COMMAND THE BANKS TO LEND MONEY TO A PARTICULAR CLIENT. THE USG'S ROLE WITH PRIVATE INSTITUTIONS WOULD BE LIMITED TO INFORMING THEM OF THE INVESTMENT/TRADE OPPORTUNITIES OFFERED BY JAMAICA. IN THE END, HOWEVER, BANKS WILL MAKE THEIR OWN DECISIONS BASED ON THEIR OWN PROFIT/LOSS CALCULATIONS.

5. FISHLOW SUGGESTED THAT THE GOJ CONSIDER PARTICIPATION IN A PRODUCER/CONSUMER GROUP EMBRACING THE BAUXITE/ALUMINA/ ALUMINUM INDUSTRY. SUCH A MULTILATERAL GROUP, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 250522

COMPRISING PRODUCERS AND CONSUMERS, WOULD PROVIDE A FORUM FOR EXCHANGING INFORMATION ON THE PRICE/SUPPLY/DEMAND FOR ALUMINUM AND DEMONSTRATE A COMMITMENT ON THE PART OF ALL PARTICIPANTS TO WORK FOR CONSTRUCTIVE SOLUTIONS. THIS WOULD BE VIEWED AS A POSITIVE DEVELOPMENT BY THE PRIVATE BANKING COMMUNITY AND WOULD ENHANCE JAMAICA'S ACCESS TO PRIVATE CAPITAL. FISHLOW ASSURED RATTRAY THAT THE U.S. DID NOT INTEND TO USE THIS GROUP

AS A MEANS OF ENSURING ACCESS TO BAUXITE AND OBTAINING CONCESSIONS FROM THE PRODUCING COUNTRIES.

6. FISHLOW PROMISED RATTRAY THAT THE DEPARTMENT WOULD PROVIDE FURTHER SUGGESTIONS WITHIN A WEEK ON HOW AND

HEN FURTHER CONSULTATIONS MIGHT TAKE PLACE. ONE POSSIBILITY IS FOR FISHLOW TO TRAVEL TO KINGSTON IN EARLY NOVEMBER FOR DISCUSSIONS WITH GOJ OFFICIALS.

7. COMMENT: (A) RATTRAY DID NOT OFFER ANY SPECIFIC GOJ QUIDS IN RETURN FOR USG ASSISTANCE, NOR DID USG REPRESENTATIVES SUGGEST THAT ANY QUIDS WERE EXPECTED; (B) RATTRAY WAS NONCOMMittal ABOUT THE PROBABLE GOJ REACTION TO OUR COUNTER-PROPOSALS, AND HE DID NOT PICK UP IN ANY WAY ON THE IDEAS SET FORTH IN PARAGRAPH FIVE ABOVE. AFTER THE MEETING CONCLUDED, HOWEVER, HE DID SOUND OUT ARA/CAR REPRESENTATIVES ON POSSIBLE TIMING OF A VISIT BY USG OFFICIALS TO KINGSTON, SUGGESTING THAT HE WAS INTERESTED IN PURSUING THE POSSIBILITY FURTHER.

8. THE DEPARTMENT PLANS TO PROVIDE RATTRAY WITH A SUMMARY OF THE MEETING, AND WE ANTICIPATE A RESPONSE FROM HIM REGARDING THE SUGGESTED FISHLOW VISIT. WE SUGGEST THAT YOU ALSO SOUND OUT APPROPRIATE GOJ OFFICIALS ON THE QUESTION OF FISHLOW CONSULTATIONS. INGERSOLL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INVESTMENT PROGRAMS, FOREIGN ASSISTANCE, CREDIT AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 OCT 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE250522  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** DCNORTON:BK  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750365-0832  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751035/aaaabfqh.tel  
**Line Count:** 141  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 240693, 75 KINGSTON 3770  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 15 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <15 SEP 2003 by KelleyW0>; APPROVED <30 OCT 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DEPARTMENT'S DISCUSSIONS WITH AMBASSADOR RATTRAY ON THE JAMAICAN CREDIT PROPOSALS  
**TAGS:** PFOR, JM, US  
**To:** KINGSTON  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006